

## Deborah L. Rakowski

Senior Contracts Specialist Tel.: (312) 269-6219 Fax. (312) 269-4923

December 21, 2004

Intermountain Power Service Corporation **Professional Engineering Services** Contract 03-45568

2005 Fixed Hourly Labor Rates

Mr. James Nelson **Contract Administrator** Intermountain Power Service Corporation 850 West Brush Wellman Road Delta, UT 84624-9546

Dear Mr. Nelson:

The schedule of labor rates for engineering services is fixed on a calendar year basis. Effective January 1, 2005, the revised rates are as specified in the enclosed Exhibit 1. Please note that the changes made represent only small increases for approximately one-half of the billing classifications. These rates will be used beginning with the invoices issued in mid-February for our services performed in January 2005.

Sargent & Lundy continues to strive to provide high quality engineering services to you at competitive rates by utilizing experienced staff and state-of-the-art technology.

If you have any questions or need additional information, please feel free to contact me at (312) 269-6219.

Yours very truly,

Deborah L. Rakowski

Olloward Rahamsk

Senior Contracts Specialist

DLR:aem Enclosure - All Recipients Copies:
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## INTERMOUNTAIN POWER SERVICE CORP. FOSSIL POWER TECHNOLOGY HOURLY BILLING RATES BY CLASSIFICATION EFFECTIVE FROM MARCH 1, 2005 THORUGH MARCH 1, 2006

Billing Classification	Billing Rate
Principal	180.00
Consultant	143.00
Manager	132.00
Senior Project Associate	115.00
Project Associate	106.00
Senior Associate	96.00
Associate II	77.00
Associate I	63.00
Senior Designer	84.00
Designer	65.00
Drafter	48.00
Administrative II	61.00
Administrative I	44.00

## Notes:

- 1. Travel, including room, transportation, and other related expenses to be billed at cost.
- 2. Subcontractors to be billed at cost plus 10% if the contract is administered by Sargent & Lundy.
- 3. The above rates include moderate computer and reprographics usage charges as well as miscellaneous charges, such as telephone, special mailings, etc.
- 4. Computer intensive work will require an additional \$5 per man-hour. IPSC will be notified in advance of such condition.
- 5. Billing rates are considered to be proprietary to Sargent & Lundy, L.L.C. Please treat them as confidential.
- 6. Billing Classifications include one or more S&L position categories that are typically grouped under a classification on the basis of similarities in position function, experience factors, and/or wage levels. Acceptance of this schedule includes the rates shown, the period of time for which they are effective, and the combination of individual position categories that comprise each classification.